

Message Text

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ACTION IO-14

INFO OCT-01 EPG-02 AGRE-00 USIE-00 AID-05 EB-07 EUR-12
COME-00 ISO-00 TRSE-00 IOE-00 ABF-01 OMB-01 SSO-00
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FM AMEMBASSY ROME
TO SECSTATE WASHDC IMMEDIATE 5871
INFO USMISSION GENEVA IMMEDIATE

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FODAG

DEPT PASS TREASURY AND AGRICULTURE

AID FOR VAN DYKE: E/B FOR WINDER: IO FOR BYRNES: AGRICULTURE FOR
KRIESBERG AND TREAS. FOR NACHMANOFF

E.O. 11652: N/A
TAGS: OCN, IFAD
SUBJECT: IFAD ADMINISTRATIVE BUDGET AND STAFFING

REF: GENEVA 5726

1. RE REFTEL U.S. MUST NOT RPT NOT ACCEPT ANY LINK BETWEEN
U.S. IVCE-PRESIDENCY AND U.S. POSITION ON ADMINISTRATIVE BUDGET
AND STAFFING. CATEGORY I AND SPECIFICALLY THE U.S. DOES NOT RPT
NOT HAVE TO BARGAIN FOR THE VICE-PRESIDENCY. CATEGORY I HAS
PLEDGED OVER \$570 MILLION INCLUDING OUR \$200 MILLION ESTABLISHING
OUR "CLAIM" FOR THE VICE-PRESIDENCY WHICH AL-SUDEARY HAS AC-
KNOWLEDGED ON PREVIOUS OCCASIONS TO U.S. OFFICIALS. THE U.S.
PREPCOM DELEGATION HAS NOT LINKED ANY OF ITS POSITIONS OR
NEGOTIATIONS TO THE VICE-PRESIDENCY ISSUE. SIMILARLY WITH RESPECT
TO QUESTION OF MULTIPLE VICE-PRESIDENTS, AL-SUDEARY CANNOT
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IGNORE THE FACT THAT THIS WOULD BE UNACCEPTABLE TO CATEGORY
I. HE MAY BE UNDER PRESSURE FROM OTHERS ON VICE-PRESIDENCY,
BUT WE HAVE NO NEED OR ADVANTAGE IN HELPING
HIM WITH THIS AT THE PRESENT STAGE.

2. ON BUDGET AND STAFFING THERE HAVE BEEN RAPID DEVELOPMENTS
DURING PAST 24 HOURS IN PLENARY AND CONTACT GROUP DISCUSSIONS.

THE U.S. WITH SUPPORT FROM OTHER MEMBERS OF CATEGORY I, INCLUDING NOTABLY CANADIAN AND GERMAN DELEGATIONS, HAS INSISTED ON RESTRAINT IN REGARD BOTH TO NUMBERS OF EMPLOYEES AND TOTAL FUNDING. CATEGORY III PREDICTABLY FINDS THE BUDGET QUITE ACCEPTABLE AND HAS OVERT OR TACIT SUPPORT OF MOST OPEC CONTRIBUTORS.

OPEC SPECIAL FUND DIRECTOR SHIHATA SUGGESTED ONLY MINOR BUDGET REDUCTIONS IN NON-STAFF ITEMS AND ADVOCATED GIVING PRESIDENT MAXIMUM FLEXIBILITY TO HIRE STAFF AT LEVELS HE NEEDS. SAUDI ARABIAN DELEGATE STATED THAT HIS MINISTRY OF FINANCE DECLINED TO EVEN EXAMINE THE PROPOSED BUDGET SINCE THE AMOUNTS INVOLVED WERE TOO SMALL TO BOTHER WITH. AS A RESULT OF SUCH INTERVENTIONS, WE NOW FACE A RISK OF LOSING ANY REAL SENSE OF BUDGETARY DISCIPLINE OR LIMITATION ON STAFFING. HOWEVER, OUTCOME OF CONTACT GROUP DISCUSSION PROVIDES A BASIS FOR AGREEMENT WHICH MOST MEMBERS WOULD BELIKELY TO SUPPORT. MAJOR ELEMENTS ARE AS FOLLOWS:

A) OVERALL BUDGET TOTAL OF \$7.5 MILLION WOULD BE REDUCED TO APPROXIMATELY \$6.2 MILLION, LARGELY BY REDUCING CHARGES BY COOPERATING INSTITUTIONS FOR COFINANCING:

B) PROPOSED NUMBER PROFESSIONS BOTH PROGRAM AND ADMINISTRATIVE WOULD NOT EXCEED 45 INCLUDING PROJECT CONTROLLERS:

C) AGREEMENT WAS REACHED THAT TO REDUCE HIERARCHY THERE WOULD BE ONLY TWO DEPARTMENTS: OPERATIONS: POLICY AND ADMINISTRATIVE: FINANCE. HOWEVER, IT WAS RECOGNIZED THAT FOR STAFF TO WORK EFFICIENTLY WITH IFAD IT MUST BE HIGHLY COMPETENT AND PAID ACCORDINGLY:

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D) MOST IMPORTANTLY, DRAFT BUDGET WOULD BE PRESENTED TO GOVERNING COUNCIL NOT AS A NUCLEUS STAFF FOR INITIAL 6 OR 9 MONTHS BUT AS REPRESENTING PREPCOM VIEW OF STAFFING REQUIREMENTS TO RUN IFAD AT FULL SPEED. AL-SUDEARY HAS AGREED THAT BASIC NUMBER AND FUNCTIONS WOULD REMAIN SAME THROUGH FIRST TWO YEARS OF OPERATIONS. DURING THIS PERIOD PRESIDENT CAN APPEAL TO EXECUTIVE BOARD FOR CHANGES AS DISTINCT FROM ADDITIONS BASED UPON ACTUAL EXPERIENCE. PROPOSED BUDGET WILL ALSO INCLUDE A STAFFING PATTERN WITH SALARY RANGES.

3. THIS NEW APPROACH DEPARTS FROM PREVIOUS U.S. POSITION OF A TWO-STAGE APPROACH WITH VERY SMALL STAFF DURING FIRST YEAR. IN OUR VIEW, HOWEVER, BY SETTING PARAMETERS FOR THE LONGER TERM FULL OPERATING NEEDS OF THE FUND, RATHER THAN POSSIBLE MULTIPLE EXPANSION OF ORIGINALLY PROPOSED "NUCLEUS" THIS PROPOSAL CAN MEET THE U.S. LONG TERM OBJECTIVES FOR IFAD STAFFING.

GAVXKNER

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Control Number: n/a
Copy: SINGLE
Sent Date: 14-Jul-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
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